

Agenda Item					
A-1	No one wished to be heard during the Open Comment Period.				
B-1	<p>President John Hunziker called the meeting to order at 7:00 P.M. with the following members present: Councilmembers Dennis Hanson, Marcia Marcoux, Jean McConnell, Sandra Means, Bob Nowicki, Walter Stobaugh. Absent: None. Also present: Mayor Ardell F. Brede.</p>				
	<p>Mayor Brede said that the previous Wednesday and Thursday he had the privilege of visiting each City department and work unit to present season's greetings on behalf of the Council and Administration. He also took the opportunity to acknowledge John Hunziker and Walter Stobaugh for their many years of service to Rochester. Both have served with honor and dignity.</p>				
D-1-20	Councilmembers Hanson moved, Stobaugh seconded, to approve the following consent agenda items.				
D-1	Approved the minutes of the December 13, 2004, Council meeting.				
D-2	Approved the 2005 compensation for City Administrator Stevan Kvenvold.				
D-3	Adopted Resolution No. 628-04 approving the agreement with Olmsted County relating to the use of the sales tax extension authorization for "regional transportation" purposes, and requesting an additional \$46 million in sales tax authorization for the existing sales tax.				
D-4	Adopted Resolution No. 629-04 approving a contract with DSU research in an amount not to exceed \$9,000 plus reimbursable for preparation of a downtown housing market study.				
D-5	Approved an On-Sale and Sunday Exclusive (street bar) Intoxicating Liquor License for Bramel, Inc., an S Corporation DBA Glynner's Pub to be located at 1593 North Broadway.				
D-6	<p>Approved the following licenses and miscellaneous street activities:</p> <p><u>Gambling – Temporary</u></p> <p style="padding-left: 40px;">SE Minnesota Harley Owners Group – Raffle at Hanger Bar & Grill – August 27, 2005.</p> <p style="padding-left: 40px;">Church of St. Francis of Assisi – Raffle – May 6, 2005.</p> <p style="padding-left: 40px;">Aldrich Memorial Nursery School – Raffle at Marriott Hotel – November 11, 2005 and Raffle at Aldrich Memorial Nursery School – May 7, 2005.</p> <p><u>On-Sale Liquor – Temporary</u></p> <p style="padding-left: 40px;">Rochester Public Library – Library Fundraiser – January 15, 2005.</p> <p><u>January 1, 2005, Renewal Licenses</u></p> <table style="margin-left: 100px;"> <tr> <td>Bus</td><td style="text-align: right;">1</td></tr> <tr> <td>Golf Carts</td><td style="text-align: right;">2</td></tr> </table>	Bus	1	Golf Carts	2
Bus	1				
Golf Carts	2				

RECORD OF OFFICIAL PROCEEDINGS OF THE COMMON COUNCIL
CITY OF ROCHESTER, MINNESOTA
Adjourned Meeting No. 32 – December 20, 2004

7244

Agenda Item	
	<div style="display: flex; justify-content: space-between;"> <div>Heating, Ventilating & Air Conditioning</div> <div>112</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Master Installer</div> <div>177</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Pawnshops</div> <div>3</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Pigeons</div> <div>3</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Public Transportation</div> <div>2</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Sewers & Drains Installers</div> <div>76</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Sidewalks – Asphalt</div> <div>11</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Sidewalks – Cement</div> <div>92</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Sign Installers</div> <div>28</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Taxicabs</div> <div>1</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Telecommunications</div> <div>12</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Theatres</div> <div>2</div> </div>
D-7	Approved Accounts Payable in the amount of \$8,837,997.86 and Investment Purchases of \$29,963,163.89.
D-8	Adopted Resolution No. 630-04 approving the lease agreement with Wells Fargo Financial Leasing Company and the service contract with Northland Business Systems, Inc. for the Communications Center Logging Recorder.
D-9	Adopted Resolution No. 631-04 approving an engineering agreement with McGhie & Betts, Inc. for \$3,350.00 for Project No. J-1003 "Asbestos and Hazardous Materials Sampling and Identification of Old Art Center Facility".
D-10	Adopted Resolution No. 632-04 approving payment of an additional \$92,929.63 to MnDOT as a part of the Municipal Cost Share Agreement for Project No. J-2260 "Highway 63 South/48 th Street S.W.).
D-11	Adopted Resolution No. 633-04 approving the Revocable Permit Agreement with Carpenter and Torgerson II, LLC to allow the placement of a canopy in the right of way of 13 th Avenue SW and placement of the landscaping in the right of way of 2 nd Street SW.
D-12	Adopted Resolution No. 634-04 amending Section H, Zone C "30 Minute Parking" of the Comprehensive Traffic and Parking Resolution Book by deleting Paragraph 31.
D-13	Adopted Resolution No. 635-04 entering into a professional services agreement with Yaggy Colby Associates in an amount not to exceed \$6,500 for Project No. J-7730 "Traffic Study of Stonepoint Drive NE (41 St NE) & TH 63 North".
D-14	Adopted Resolution No. 636-04 amending previous Resolution No. 480-04 for Project No. J-6389 "Traffic Signal 55 th Street NW at TH 52 West Frontage Road/Clearwater Road NW" to correct typographical error on MSAS Variance Request.

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D-15	<p>Adopted Resolution No. 637-04 amending Section B, "No Parking" of the Comprehensive Traffic and Parking Resolution Book, to add Paragraph 331 as follows:</p>
	<p>(331) Chateau Road NW, from 55th Street NW to Villa Road NW, on both sides, at all times.</p>
D-16	<p>Adopted Resolution No. 638-04 approving the 2005 Contract with Rochester City Lines for a maximum amount of \$1,593,699.</p>
D-17	<p>See at end of D Items.</p>
D-18	<p>See at end of D items.</p>
D-19	<p>See at end of D items.</p>
D-20	<p>Adopted Resolution No. 639-04 approving Change Orders No. 1, 2, 3, and 4 for Project No. J-2594-04 "Restoration of Second Street Ramp" with Knutson Construction in the amount of \$13,537.88.</p>
	<p>Ayes (7), Nays (0). Motion carried.</p>
D-17 & D-18	<p>Mayor Brede asked Tony Knauer, Transportation Director, if the funds received from the Federal Transit Administration would, at another time, fund alternative transit forms as well.</p> <p>Tony Knauer, Transportation Director, said that Rochester receives about \$1 million dollars annually for its transit program. Approximately 50 percent of that is used for the operating assistance and the remainder goes into a capital fund for buses. Over the past several years the City has managed about \$1 million every two years of discretionary monies which could be used for facilities or high-tech projects.</p> <p>Mayor Brede said that the City will be completing a transit development plan; will alternate forms be addressed in that study?</p> <p>Tony Knauer, Transportation Director, said that the study will be a broad study looking at many alternatives. Focus will be capital needs, up-dating the City's operating plan for extending bus service, and high-tech systems with Mayor and City Council input.</p> <p>Councilmembers Marcoux moved, McConnell seconded, to adopt Resolution No. 640-04 awarding a contract to Gillig Corporation for the purchase of up to four buses at a cost of \$288,223 per unit and approval to amend the order to five buses pending approval by the Federal Transmitt Administration of additional funding and to adopt Resolution No. 641-04 approving execution of a contract with the Abrams-Cherwony and Associates in the amount of \$125,000 for completion of a Transit Development Plan update per the City's request for proposals and their proposal dated September 28, 2004. Ayes (7), Nays (0). Motion carried.</p>

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Councilmember Nowicki asked about the number of resolutions relative to the increase of rates for the Public Utilities. He asked Larry Koshire, General Manager for Rochester Public Utilities, to explain the Public Utility Board actions.

Larry Koshire, General Manager, said that RPU serves about 44,000 electric and 33,000 water customers each year. The 2005 budget reflects approximately a 16 percent increase in revenue for water or about \$7.4 and 9 percent revenue in electric or about \$113. Electric expenses are forecasted to be up about 4 percent and water expenses about 8 percent. The difference in revenue and expenses last year was due to a wet and cooler summer. The stress has come on the reserves because of capital and major maintenance budget increases and the growth of the City. Wells are being put in every two to three years rather than four or five years to serve the increase of the City; similar measures are true for electric installations as well. The RPU Board is requesting a 5 percent increase. The average residential customer will see about 53 cents per month on their bill for the increase. Rochester RPU rates are in the lowest five in the State for both electric and water. The projected 2005 growth of the city will lead into some one-time borrowing for expenses. Borrowing of \$5 million will be needed to keep the rates even as the borrowing is over a ten-year period.

Councilmembers Hanson moved, Nowicki seconded, to adopt the following Rochester Public Utility resolutions:

Resolution No. 642-04 approving the 2005 RPU electric and water capital and operating budgets.

Resolution No. 643-04 and 644-04 approving a 3% increase in electric rates effective January 1, 2005, and rate schedule.

Resolution No. 645-04 and 646-04 approving a 5% water rates increase effective January 1, 2005, and rate schedule.

Resolution No. 647-04 approving an insurance agreement with Starr Technical Risks Agency, Inc. for All Risk Property Insurance for December 31, 2004 to December 31, 2005, in the amount of \$532,771.00.

Resolution No. 648-04 approving an insurance agreement with the League of Minnesota Cities Insurance Trust, for Commercial Automobile and General Liability Insurance for the period of December 31, 2004 to December 31, 2005 at a cost of \$118,328.00.

Resolution No. 649-04 approving an insurance agreement with Associated Electric and Gas Insurance Services, Ltd. For Excess General Liability Insurance from December 31, 2004 to December 31, 2005 in the amount of \$69,385.00.

Resolution No. 650-04 approving the issuance of an Electric Utility Revenue Note, Series 2005A, for approximately \$5.7 million for funding the 2005 electric capital budget and the Execution of a Project Loan Agreement .

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E-1	<p>Resolution No. 651-04 approving Joint Resolution with the City Council reaffirming in its entirety the resolution dated February 8 and February 24, 1994 regarding the City's status in future SMMPA generating resources.</p> <p>Ayes (7), Nays (0). Motion carried.</p> <p>A Hearing on the Adoption of the Proposed 2005 Budget and 2005-2010 Capital Improvements Program for the City of Rochester.</p> <p>Having no one wishing to be heard, President Hunziker closed the hearing.</p> <p>Councilmembers Means moved, Marcoux seconded, to adopt Resolution Nos. 652-04, 653-04 and 654-04 approving the Proposed 2005 Budget and 2005-2010 Capital Improvements Program for the City of Rochester. Discussion.</p> <p>Councilmember McConnell stated that he could not support the proposed budget. He said he was looking for a "lean and mean" budget and instead there is a budget increase of \$5 million. \$5 million is not low; it is the largest increase in his memory both in dollars and percentage. Councilmember McConnell said that the LGA cuts, for the second year, came with a powerful message: To cut the fat from local government. The Chamber of Commerce asked for a smaller budget as well for their concern, the businesses and the burden of taxes on business. Councilmember McConnell agreed but said that his primary concern is for the working poor and the extreme poor who are on low fixed income who can barely manage present taxes.</p> <p>Ayes (6), Nays (1). Motion carried. Councilmember McConnell voted nay.</p>
E-2	<p>A Hearing on Final Plat #04-47 by Joel Bigelow & Sons to be known as North Star Business Park located east of West Circle Drive, south of 41st Street NW and north of 40th Avenue NW.</p> <p>Wishing to be heard was Ward Opitz, Bigelow Enterprises, Byron. He said that Conditions #3 and #4 are duplicated. Both pertain to the pedestrian facilities agreement which they are willing to sign. Condition #5 should be eliminated. The condition, pertaining to additional right-of-way, only arose during the past week. They are willing to work with the City but do not want to agree until they know what is included.</p> <p>Terry Adkins, City Attorney, said that Condition #5 should not be a part of the land use approval process. If there is an agreement needed, it should be handled outside this condition of approval through the City Engineer. Condition #5 should be removed.</p> <p>Mike Nigbur, Public Works Department, noted that Condition #3 is a duplication and should be removed.</p> <p>Wishing to be heard was Ward Opitz, Bigelow Enterprises, Byron. Mr. Opitz said they were in agreement with Conditions #1, 2 and 4.</p>

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E-3	<p>Having no one further wishing to be heard, President Hunziker closed the hearing. Councilmembers Nowicki moved, Stobaugh seconded, to adopt Resolution No. 655-04 approving Final Plat #04-47 by Joel Bigelow & Sons to be known as North Star Business Park with three conditions. Ayes (7), Nays (0). Motion carried.</p> <p>A Hearing to Consider the Establishment of Residential Permit Parking on 7th Avenue S.E. between 3rd Street SE and 4th Street SE.</p> <p>Having no one wishing to be heard, President Hunziker closed the hearing.</p> <p>Councilmembers Stobaugh moved, Means seconded, to adopt Resolution No. 656-04 approving the expansion of Residential Permit Parking Zone 3 – 7th Avenue SE/300 Block and amended Section L, "Residential Permit Parking", Zone 3 (Mayo Park) the Comprehensive Traffic and Parking Resolution Book by adding Paragraph 4 to read:</p> <p style="padding-left: 40px;">(4) 7th Avenue SE, from 3rd Street SE to 4th Street SE, on both sides, 8:00 AM to 4:00 PM, Monday through Friday.</p> <p>Ayes (7), Nays (0). Motion carried.</p>
E-4	<p>A Continued Hearing on Vacation Petition #04-14 by the Prow Company, Inc., John and Teresa Allers, Dale Eiden and Terrance McGill, to vacate portions of the alley in Conley's Addition located east of 11th Avenue NW, north of Civic Center Drive and southerly of 6th Street N.W.</p> <p>Wishing to be heard was Cedric Schutz, Land Consultants, representing Prow Companies. Mr. Schutz said the original subdivision was platted in 1914. Block 3 is the area of concern. The area consisted of 23 lots with 46-46 foot depth and 125-144 foot width. The lots contain a mixture of commercial and residential. There was a widening of Civic Center Drive which removed a portion of Lot 8, all of Lot 1, and Lots 19-24 were shortened for a service road. There are currently five owners on the block. Lot 2 is vacant and up for tax foreclosure. Lots 3 and 5 are owned by John Allers. Lots 16, 17 and a part of Lot 18 are owned by Al Nerland. Lots 23 and 24 are owned by Mary and Gene O'Marro. Part of Lot 24 has previously been taken for the widening of Civic Center Drive. The original proposed vacation of the alley showed the vacation down to Lot 2 and a part of the north-south alley along Lots 16, 17 and 18. The proposed Kwik Trip building is scheduled to sit on Lots 10 and 11 with egress and ingress to the north-south alley. A car wash will be on the east side of Lot 8. Since the application for vacation was made, the Prow Company has purchased Lots 6 and 7. The O'Marro's have requested no vacation on the north-south alley. Mr. Schutz noted that they were in agreement with the four conditions and with the Maintenance Agreement.</p> <p>Wishing to be heard was David Vanderheyden, Attorney, representing the O'Marro's. He said that Mr. and Mrs. O'Marro oppose the vacation of the alley as they would lose direct access to Sixth Street N.W. If the access to the east-west frontage road on the south side of their property is altered in any way, the proposed access north to Sixth Street is significant. Mr. Vanderheyden said it was not</p>

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understood why the Public Works Department in September 2004 recommended to the Planning Department the construction of a northerly extension of the alley along the east line of the proposed development connecting to Sixth Street. The applicant, Prow Companies, on October 6, 2004, indicates that any alley will remain as a private driveway to service these lots and thus eliminate the condition required by Public Works that there be a formal alley. On October 21, 2004, in light of Prow Companies suggestion that they would leave the alley open as a private driveway to service the lots to the north to get to Sixth Street, the Public Works Department eliminated their earlier recommendation. He said that his clients need a public easement to assure access to Sixth Street. The applicant, Prow Companies, no longer has a recommendation from Public Works that an alley be provided to the north and Prow Companies have withdrawn their offer indicating that they would provide a private drive for access to the north.

Terry Adkins, City Attorney, said that the Public Works Director has suggested adding the following language to Condition #4: "Alternatively, the Owner must execute a private cross-easement agreement with the owners of Lots 23 and 24 prior to the recording of this easement".

Wishing to be heard was David Vanderheyden, Attorney, representing the O'Marro's. He said that the added statement on Condition #4 was acceptable to his client.

Wishing to be heard was Cedric Schutz, Land Consultants, representing Prow Companies. Mr. Schutz said that the added language was not acceptable to his client. He asked that the Council table action on the hearing.

Councilmember Marcoux asked Mr. Schutz if he would agree to approve the additional language knowing that if something could not be agreed to between the owner's, the matter could come back to the Council. Mr. Schutz agreed.

Having no one further wishing to be heard, President Hunziker closed the hearing.

Councilmembers Marcoux moved, Nowicki seconded, to adopt Resolution No. 657-04 approving Vacation Petition #04-14 by the Prow Company, Inc., John and Teresa Allers, Dale Eiden and Terrance McGill with four conditions including the amendment to Condition #4. Ayes (7), Nays (0). Motion carried.

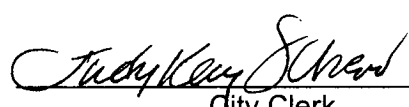
G-3a An Ordinance Amending and Reenacting Section 64.113 of the Rochester Code of Ordinances, Relating to Flag and Zero Frontage Lots, was given a second reading. Councilmembers moved, seconded, to adopt the Ordinance as read. Ayes (7), Nays (0). Motion carried. (Text Amendment #04-05)

G-3b An Ordinance Rezoning Approximately 13,650 Square Feet of Property From the B-1 and B-4 Zoning Districts to the B-1 Zoning District, and Amending Ordinance No. 2785, Known as the Zoning Ordinance and Land Development Manual of the City of Rochester, Minnesota, was given a second reading. Councilmembers moved, seconded, to adopt the Ordinance as read. Ayes (7), Nays (0). Motion

RECORD OF OFFICIAL PROCEEDINGS OF THE COMMON COUNCIL

City of Rochester, Minnesota
 Adjourned Meeting No. 32 - December 20, 2004

7250

Agenda Item	
	<p>carried. (South of Eastwood Road, East of Marion Road, South of Casey's Store – Zoning District amendment #04-18)</p>
H-1	<p>Councilmembers Stobaugh moved, Marcoux seconded, to reject all bids, authorize the City Clerk to re-advertise and re-bid the project to include lift station modifications to Project No. J-4390 "2004 Plant Upgrade Bid for the Water Reclamation Plant". Ayes (7), Nays (0). Motion carried.</p>
J-1	<p>Councilmember Stobaugh said that it has been a privilege and an honor to serve the citizens of the 4th Ward since June 1994. He said he appreciated the support from the 4th Ward residents, the neighborhood associations, his campaign chairs and treasurers of his campaign. Councilmember Stobaugh also thanked the staff and the department heads for trying to make this City a great place to live.</p> <p>Having no further business, Councilmembers Hanson moved, Nowicki seconded, to adjourn the meeting. Ayes (7), Nays (0). Motion carried.</p>
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